

STATE MINING AND GEOLOGY BOARD EXECUTIVE OFFICER'S REPORT



ARNOLD SCHWARZENEGGER GOVERNOR

For Meeting Date: October 8, 2009

<u>Agenda Item No. 4</u>: Acceptance of California Geological Survey Report 210 for Update of Mineral Land Classification, Aggregate Materials in the Bakersfield Production-Consumption Region, Kern County, California.

INTRODUCTION: The State Mining and Geology Board (SMGB), based on recommendations from the State Geologist and public input, prioritizes areas to be classified and/or designated. California Geological Survey (CGS) Special Report 210 updates information previously presented in a classification report on aggregate materials in the Bakersfield Production-Consumption (P-C) Region first published in 1984. The previous report was published by the California Division of Mines and Geology (CDMG; now CGS) as Special Report 147 (SR 147) – Mineral Land Classification: Aggregate Materials in the Bakersfield Production-Consumption Region. The State Geologist may recommend acceptance of the report by the SMGB. The SMGB is considering acceptance of the updated report of the classification of mineral resources for this area.

LEGISLATIVE AUTHORITY: Updates of mineral land classification reports by the State Geologist are authorized pursuant to Public Resources Code (PRC), Section 2761(b), which states:

"In accordance with a time schedule, and based upon guidelines adopted by the board, the State Geologist shall classify, on the basis solely on geologic factors, and without regard to existing land use and land ownership, the areas identified by the Office of Planning and Research, any area for which classification has been requested by a petition which has been accepted by the board, or any other areas as may be specified by the board, as one of the following:

- (1) Areas containing little or no mineral deposits.
- (2) Areas containing significant mineral deposits.
- (3) Areas containing mineral deposits, the significance of which requires further evaluation."

In accordance with the SMGB's "Guidelines for Classification and Designation of Mineral Lands", the State Geologist may periodically review mineral land classification information in defined study regions to determine if reclassification of the area is necessary, and whether the projected requirements for construction materials for the next 50 years should be revised. The State Geologist subsequently reports the results of such review to the SMGB together with recommendations.

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The SMGB may direct the State Geologist to reexamine mineral lands already classified on the basis of the State Geologist's recommendations, or for other reasons. Any resulting reclassification is treated in the same manner as the original classification, and employs the same marketability and threshold criteria. If these criteria are met, the State Geologist will recommend acceptance of the reclassification report by the SMGB. The 50-year period for purposes of estimating marketability will begin at the time of reclassification.

BACKGROUND: The SMGB, in the fall of 2006, and more recently at its June 14, 2007 Regular Business Meeting, heard a report from SMGB staff on the Mineral Land Classification and Designation Program under the Surface Mining and Reclamation Act of 1975 (SMARA). At its September 13, 2007 Regular Business Meeting, CGS provided a schedule and prioritized program of current and planned activities for mineral land classification and associated projects. The update of the report for the Bakersfield P-C Region was considered by CGS as a priority.

<u>DISCUSSION</u>: The updated report presents the following conclusions:

- The permitted reserves are projected to last until the year 2031, 22 years from present (2009).
- An additional 2,456 acres of land containing an estimated 442 million tons of reserves are identified in areas adjacent to the Bakersfield P-C Region.
- The anticipated consumption of aggregate in the Bakersfield P-C Region for the next 50 years (through the year 2058) is estimated to be 467 million tons, of which 224 million tons must be PCC quality. This is more than twice the previous 50-year projection.
- The estimated 4,279 million tons of unpermitted PCC-grade aggregate resources are recognized in the Bakersfield P-C Region and adjacent areas.

Based on this report, the State Geologist has recommended acceptance by the SMGB of this updated mineral land classification report.

EXECUTIVE OFFICER'S RECOMMENDATION: The Executive Officer has reviewed the CGS Special Report 210, and finds that it has been prepared in accordance with the SMGB's Mineral Classification and Designation Guidelines and the Surface Mining and Reclamation Act (SMARA; PRC Section 2710 et seq.). The Executive Officer recommends that the SMGB accept the report and forward copies to Kern County and to other affected lead agencies.



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SUGGESTED MOTION LANGUAGE:

To Accept CGS's Special Report 210:

Mr. Chairman, in light of the information before the State Mining and Geology Board today, I move that the Board find that California Geological Survey Special Report 210, "Update of Mineral Land Classification for Aggregate Materials in the Bakersfield Production-Consumption Region, Kern County, California," has been prepared in accordance with the SMGB's guidelines and policies, and that the SMGB accepts the Report and instructs the Executive Officer to transmit the Report to Kern County and other affected lead agencies.

Respectfully submitted:
Stephen M. Testa
Executive Officer

